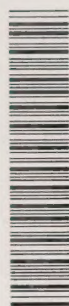


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GEOGRAPHY

Argentina covers 2.7 million km², and stretches about 3,700 km from north to south. It is bounded by 9,665 km of land borders (with Chile to the west, Bolivia and Paraguay to the north, and Brazil and Uruguay to the northeast) and 4,989 km of Atlantic Ocean coastline. The country is divided into 23 provinces and 1 federal district, where the capital city of Buenos Aires is located.

There are four major geographic regions—Northern Argentina, the Pampas, the Andina and Patagonia:

- Northern Argentina is a lowland plain east of the Andes and north of the Cordoba Mountains (roughly that portion of the country north of 30 S lat.) It is divided into 2 sub-regions—the Gran Chaco to the west and Mesopotamia to the east. The Gran Chaco is a forested, sparsely-populated area. Mesopotamia is a fertile, rural, farming area.
- The Pampas is a fertile zone fanning out from Buenos Aires and covers about one-fifth of the country, from about 30 S lat. to 40 S lat. This

region contains most of the country's urban centres, and two-thirds of the population.

- The Andina is the mountainous western region of the country. Its sparse population is primarily limited to farming communities west of the Andes.
- Patagonia is a dry plateau in southern Argentina. It occupies one-fourth of the country, but contains only 3 percent of the population.

Argentina's climate varies from mild in the north to sub-Antarctic in the extreme south. Average January temperatures vary from 27°C in the north to 16°C in the south. Average July temperatures vary from 16°C in the north to 0°C in the south. Summers in the Pampas and Mesopotamia are hot and very humid. Rainfall is high in the northeast, decreasing toward the west and south. The southeast portion of the country is arid.

Environmental issues include erosion from poor flood control and improper land use, desertification, air pollution in major cities, water pollution in urban areas, and polluted rivers.



DEMOGRAPHICS

Argentina's population is about 35.22 million people (1996), yielding an overall density of 12.5 inhabitants per km². 28.7 percent of the population is less than 14 years of age, 58 percent is between 15 and 64, and 13.3 percent is older than 64. The literacy level of the population is 96.2 percent. It is estimated that 88 percent of the population live in urban areas, and of that portion, 45 percent (13.9 million people) is concentrated in and around the Capital Federal area, and 33 percent is in the metro Buenos Aires area.

More than half of the Buenos Aires population lives in the Conurbano Bonaerense, an urban belt

around the city of Buenos Aires. The average population density in this belt is 2,100 inhabitants per km². The area is a strong contributor to the housing deficit, and is characterized by high unemployment and poor quality of life.

To further define the urban population, approximately 62 percent live in cities with populations greater than 100,000, and 74 percent live in cities with populations greater than 20,000. The overall population growth rate from 1990 to 1995 was 1.2 percent per annum, and the population is forecast to reach 37.0 million by the year 2000.

ECONOMIC OVERVIEW

Argentina has experienced unprecedented economic expansion over the last few years with a GDP growth rate of 28.0 percent for the 1991-96 period (economy contracted in 1995 with a GDP growth of -5.7 percent, and then recovered in 1996 to 3.2 percent). This is a consequence of the positive economic changes introduced by the government. Inflation, which reached 5000 percent in 1989 was 3.7 percent in 1994. In part, this dramatic change was achieved by the introduction of the Convertibility Law which established the peso at par with the U.S. dollar and required that issuance of currency be backed by reserves of gold or hard currency.

The fallout from the Mexican crisis, known as the tequila effect brought expansion to an untimely end. The tequila effect created a substantial outflow of funds from capital markets, a dramatic fall in shares on the stock exchange, the failure of a number of banks, and rapidly rising interest rates. To stop this hemorrhaging of funds and maintain the convertibility of the peso, as well as re-establish economic credibility, the government quickly took a number of decisive measures. These measures included temporarily raising the IVA (GST) from 18 to 21 percent, cutting federal government salaries, putting in place a deposit insurance plan for the banking sector, and negotiating a financing package involving the International Monetary Fund (IMF), Inter-American Development Bank (IDB), and the International Business Information System (IBIS). The measures are widely supported and are seen as ensuring the country's ability to meet its international debt commitments, and realize a fiscal surplus. The downside will be zero growth in GDP and higher unemployment, which is likely to rise to 13 from 15 percent. Other outcomes of the crisis will be a substantial impact in the banking sector and a greater impetus to reform inflexible and antiquated labour and pension laws. There is also renewed pressure by the federal government on the provinces to reduce expenditures and down-size bloated provincial bureaucracies, which, in some cases, are the sole form of economic activity.

The process of restructuring of industry is expected to continue, although at a somewhat slower pace, owing to a shortage of investment funds and high interest rates. But the economic course is set to make Argentina globally, a more competitive country. Exports climbed some 40 percent in the first quarter of 1995, and imports stabilized at the same level as the previous year with the result that the trade deficit was expected to shrink from US\$5.8 billion in 1994 to zero in 1995, and inflation was lowered to 0.1 percent in December 1996. Argentina's exports climbed 11.9 percent (US\$23.8 billion) and imports increased by 15.3 percent (US\$22.1 billion) in the period of 1995-96).

Canadian exports have climbed substantially from \$65 million in 1992 to \$200 million in 1994, and are expected to continue growing, but at a reduced rate unless there is a dramatic rebound of the economy. Investment opportunities will continue to develop particularly for the resource industries where Canada has much to offer. The major sectors where opportunities are forecast include oil and gas, mining, power, telecommunications and informatics, agricultural genetics (seeds), housing systems, transportation and environment (over the longer term).

Argentina has undertaken a massive privatization program that has seen the selling of airlines, telephone companies, railways, electrical, gas, water and sewage utilities, highways, the state oil company and other public companies. In many cases they were purchased by consortia including off-shore partners as shareholders and operators. Canadian companies such as NovaCorp, Transalta, and Canac as well as many others from Europe, Chile and the U.S. have been successful bidders in the sell-off. In the process the government has acquired substantial hard currency that has been used, in part, to pay down Argentina's foreign debt. This final privatization phase includes airports, nuclear power stations, and the national mint, amongst others.

In the last five years, the national public service has been reduced from one million to 350,000 employees, and a major program of

deregulation was undertaken to reduce the cost to Argentina, and to allow industry to be more competitive.

Rich in natural resources, Argentina also features export-oriented agriculture and a diversified industrial base. Argentina is Latin America's wealthiest nation, in terms of per capita income, and it is expected to enjoy strong growth.

Stabilization efforts for a shaky economy began in 1989, but the economy did not begin to improve until 1991, when the Convertibility Law was enacted. Under this law, the peso was pegged at par with the U.S. dollar, the Central Bank was prohibited from financing the deficit, indexing was eliminated and contracts in U.S. dollars were legalized. Subsequently annual growth has resulted, with investment up 30 percent per year and consumer demand up 10 percent per year (although annual growth was negative in 1995, and consumer demand is currently weak). Inflation has fallen to its lowest level in 20 years. These trends are expected to continue, supported by the modernization and expansion of privatized firms, the increased activity in the oil sector, auto industry, growth in the construction and engineering sector, and upward demand in private (middle-income) housing. This is due to increased availability of consumer credit and a shift toward increased consumer savings. In achieving this state of growth, the government has focussed on improving tax collections and controlling expenditures, as well as eliminating various taxes, deregulating the economy, and reducing its role in private sector activities.

A disadvantage of the fixed peso rate is that the peso has become over-valued in real terms. Although inflation has dropped, prices have risen more than 40 percent, while Canadian prices have risen by much less. Argentina's export products, therefore, have lost their competitiveness.

Despite steady economic growth since 1991, unemployment doubled from 1991 to 1994. This was due mainly to government and privatized industry layoffs. However, the increase in unemployment has probably contributed to the reduction of inflation.

Argentina has become a self-sufficient economy, but import of capital goods is essential for the

continued restructuring of its industrial base and rebuilding of its run-down infrastructure.

However, the private sector is enjoying access to foreign financing, and direct foreign investment is occurring on a significant scale.

Recent economic indicators for Argentina are presented in Table 1.

Argentina entered into a recession in the first quarter of 1995 which was made more acute by the mid-year weakness in the Brazilian economy. Brazil is Argentina's major export market under the Mercosur agreements signed in December of 1994, just prior to the Mexican peso collapse.

For the short and intermediate terms, Argentina will continue to rely on foreign direct investment. After Mexico, portfolio investment evaporated rapidly and substantial Argentinean capital also left the country, as a precautionary measure by foreign investors.

Two growth areas that remain to be modernized are health care and housing. Neither is particularly a resource problem—the Argentineans could finance a good health system but waste, fraud and mismanagement allow more than half of the payments to leak out of the system. In the housing sector, the problem is cost. Housing is considerably overpriced by international standards, both on the construction side as well as on the financing side.

Table 1:
Argentina: 1996 Economic Indicators

	Value	Units
GDP per capita	\$6,191	Constant 1990 US Dollars
Construction GDP per capita	\$752	Canadian Dollars
GDP Growth Rate	7.4%	Per Year
GNDI Growth Rate	7.0%	Per Year
Inflation	3.9%	Per Year
Unemployment	12.0%	of the work force
Balance on Current Account	-\$2,940 million	US Dollars
External Debt	\$84 billion	US Dollars

Sources: ECLAC, *Statistical Yearbook for Latin America and the Caribbean*, 1995; Central Intelligence Agency (CIA), *Country References*, July 1995

POLITICAL OVERVIEW

The President of Argentina has been in power since 1989 and was re-elected in May, 1995, for a second term. Under the previous constitution the President could serve one six-year term. With the revision of the constitution in 1994, the president can now serve up to two, four-year terms.

While the current administration has brought stability to Argentina, much remains to be done; a task which will be difficult with limited resources. On the economic front, the banking sector remains unstable with a large number of small, near-bankrupt banks still in operation. Labour-law reform is underway but reaction remains strong to the introduction of policies that will introduce greater flexibility in employment regulations and bring down costs of production, thereby making Argentinean exports more competitive. These reforms are seen by labour as undermining their strength and ultimately precipitating greater unemployment.

Much has been changed at the national level to reduce bureaucracy (often by transferring

responsibilities to the provinces), and privatization, but little has been achieved at the provincial level. Economic power remains in the Province of Buenos Aires with 50 percent of the country's population, and the other 22 provinces with few exceptions (Cordoba, Mendoza, Neuquen) have little in the way of economic resources. In many cases, the major source of employment has been, and continues to be, bloated provincial administrations dependent for support from the central government. This is changing as the government cuts back. However, the result will inevitably be more unemployment over the coming years and the potential for greater social unrest.

There is much to be done to improve the standards of education, health care, the judicial system, and the environment. These areas have not received adequate financial resources for many years and will need to be a priority if Argentina is to fulfil its dreams of once more being amongst the ranks of the leading global economies.

After operating behind highly protectionist tariff barriers for over forty years, the lowering and removal of customs duties unleashed a major buying spree that has seen imports rise from US\$7.6 billion in 1991 to US\$15.4 billion in 1994. While much of this boom in imports was initially made up of consumer products, more and more the figures reflect growth in imports of capital goods to restructure Argentina's industry and make it more competitive. Capital goods equalled 34 percent of imports in 1991 and 46 percent in 1994. Much of this growth in imports has been to the advantage of Brazil, Canada and the European Union, in particular.

Argentina's major export markets are the United States (8.5 percent), Brazil (26.1 percent), the Netherlands (5.7 percent), Chile (7 percent), and Italy (3.5 percent). Canada accounts for approximately 1.1 percent (1996).

The Canadian presence has grown substantially in recent years: in exports from \$65 to \$200 million between 1991 and 1994, and in investment from \$250 million to \$1 billion, in the same period (Canadian investment is expected to be US\$1.5 billion to US\$2.0 billion in 1996). The latter has occurred predominantly in the oil and gas, mining, agro-industrial and banking sectors. Canada is highly admired and increasingly seen as a positive example for Argentinean development, and as a source of the latest technology.

Canada's exports ranked either 4th or 5th in 1993 and 1994 for coniferous wood products, manufactured wood products and carpets. This amounted to about US\$2.8 million in 1993 and US\$5.2 million in 1994. Another major Canadian exported product is PVC siding (export volume was about \$4.6 million in 1993 and 1994), but Canada ranked 9th and 10th among other exporters in 1993 and 1994, respectively. Brazil and the United States are the major foreign suppliers of building products.

Under the Mercosur common market, as of January 1, 1995 tariffs on the majority of items originating within the area were reduced to zero and a Common External Tariff was established for

items entering from outside the market. In some cases, for Argentina this means an increase in customs duties, such as capital goods for which duties will rise in graduated steps to 14 percent by 2001, and for computer equipment to 16 percent by 2006.

In the course of four years, 1990 to 1993, trade within Mercosur has increased by 240 percent. It is anticipated that it will increase a further four-fold by the end of the century. For Canadian companies, this market of 200 million people and a GDP of US\$766 billion (fourth largest trading bloc after NAFTA, EU and Japan), presents attractive opportunities that are being realized by companies such as McCain and Canada Malting who are investing in plants in Argentina to serve the expanded market.

The process of transformation which Argentina is undergoing is attracting growing attention in Canada and also stimulating interest on the part of Argentineans, in Canadian institutions and capabilities. The number and level of business visitors has been increasing significantly.

In January 1995, Prime Minister Jean Chrétien visited Argentina, along with some 240 business people. In the course of the visit Cdn.\$400 million of business was signed and a number of key bilateral agreements concluded in the nuclear and mining sectors. A Memorandum of Understanding was also signed between the Canadian Manufacturers' Association and the Union Industrial Argentina, to promote cooperation between the two organizations.

There have also been a number of sectoral missions, the Canadian Council for the Americas has staged seminars in Canada to interest companies in opportunities here, the Alliance of Canadian Manufacturers and Exporters participated in a conference on industrial restructuring organized by the Union Industrial Argentina in September, 1994. The CEOs of a number of major Canadian companies have since independently visited Argentina.

Opportunities for business are foreseen mainly in:

- oil and gas;

- mining;
- environment;
- power generation, distribution and transmission;
- food processing and packaging;
- telecommunications;
- housing;
- agriculture; and
- transportation.

Canadian investment in Argentina is estimated to have risen in the last two years from \$350 million to \$1 billion and is estimated to increase to US\$1.5-2.0 billion in 1996. Companies such as Seagrams and Alcan have had investments in Argentina for years. Canadian companies have participated in privatization, and the opening of the oil and gas sector has attracted investment by Canadian companies such as Chauvco, Norcen, Alberta Energy Company and others, to explore and develop prospects.

With the changes to the regulatory environment in the mining sector many of the Canadian companies established in Argentina are starting to explore opportunities across the cordillera. Among those involved already, or considering opportunities, are International Musto, Placer Dome, Barrick Exploration, Rio Algom, Eldorado, Canfor and Noranda.

Argentina's two-way trade in 1994 in nominal terms was equivalent to approximately one month of Canadian exports. However, the Argentinean market has grown substantially in recent years and will continue to do so in the years ahead, although not at the same rate. Many of these changes are

due to the result of privatization and much of the growth is due to these major factors:

- the change from a closed, import-substitution economy to an open economy;
- the Convertibility Law that brought certainty for the first time in a generation and unleashed a major consumer buying spree; and
- more recently the move to restructuring of the economy with the importation of new technology and equipment.

Argentina is going through an unprecedented restructuring of the services and industrial sectors and there is a need for state-of-the-art machinery and equipment.

In an import-substitution state, Argentina's consumers put up with shoddy goods and services. This is no longer the case. Through the opening of the economy, travel, and exposure to the media and films, Argentineans have become aware of the choice of goods and services available and are demanding the highest quality. In some cases, at the government level, this objective may be tempered by personal pecuniary motives. Corruption is still present, though possibly diminished by the reduced role of the state in the economy.

The International Financial Institutions (IFIs) are particularly active in the social sectors, putting funds into restructuring of the health, education, and banking systems, and into environmental rejuvenation. Given the decentralization of responsibility for social matters to the 23 provinces, individual projects are often small and uneconomical to pursue, unless one is well represented locally and has a good network of contacts throughout the country.

HOUSING CONDITIONS

In 1991, there were approximately 9.3 million households in Argentina. This number was projected to reach 9.7 million by 1995, and is further projected to reach about 10.5 million by 2000.

Housing is typically of cement and masonry construction. Sixty percent of the housing stock is owner-occupied and 12 percent is tenant-occupied. The balance represents irregular tenant situations, like invaded occupancy (constructing a dwelling without having legal title to the property) and unofficial sharing.

In 1990, more than 5 million Argentineans had no access to potable water, and 7 million lacked sewer servicing. The following table provides further details on the general condition of housing in Argentina, as of 1990.

**Table 2:
Argentina: 1990 Housing Characteristics**

Based on Total Stock of 8,927,289 units*		
By Type of Occupancy:	Owner	6,051,319
	Tenant	1,101,575
	Other	1,774,395
By Number of Rooms:	1	1,142,147
	2	2,071,991
	3	2,791,745
	4	1,609,633
	5	646,670
	6+	411,485
	Unknown	253,618
By Number of Occupants:	1	1,032,717
	2	1,678,601
	3	1,520,896
	4	1,616,442
	5	1,152,901
	6	742,583
	7	309,799
	8	182,350
	9+	272,152
	Unknown	7,000
By Available Services:	Domestic Water	7,873,880
	Flush Toilets	7,221,026
	Sewage Disposal	3,287,078
	Bathroom	Unknown
	Power	Unknown

*Individual categories do not necessarily add up to quoted total.
Sources: United Nations Economic Commission for Latin America and the Caribbean (ECLAC), *Human Settlements: The Shelter of Development*, October 1995; *Statistical Yearbook for Latin America and the Caribbean*, 1995

HOUSING SECTOR

Overview

The construction sector leads Argentina's economy in the demand for labour.

Government, private business and user groups share common concerns about the current state of housing:

- the housing deficit for medium- and low-income groups cannot be solved using traditional brick or adobe methods because the cost of these methods is becoming too high; and
- mortgage rates have been high, with relatively short repayment times.

There is general dissatisfaction with available industrialized housing. Prefabricated buildings, when used, are generally low quality and allocated to perimeter areas that are without basic services. This historic use has set the perceived standard for prefabricated houses, and is one of the main reasons prefabricated homes are not considered to be a viable option by the general population.

Despite the Agreement on Construction, a key barrier to increased housing production continues to be financing.

Major Participants in the Housing Industry

Housing is provided by government agencies and by the private sector. Government agencies concentrate on the provision of housing to low-income groups. Social housing is generally financed by government and built by the private sector. The private construction sector is divided into two main segments—the corporate and non-corporate. The non-corporate segment is composed primarily of smaller companies, and is the segment most associated with residential construction. The corporate segment consists of larger construction companies which concentrate on large commercial projects.

Key Housing Market Institutions

At the national level, the main housing agencies are:

- the National Secretariat of Housing determines the level of funding that is to be assigned to each of the provinces for the development of social housing; and
- FONAVI (Fondo Nacional de la Vivienda, the National Housing Fund), provides funding through various programs (most of which are provincially administered) for low-income housing.

At the provincial level, the *Institutos Provinciales de la Vivienda*—Provincial Housing Institutes—are responsible for planning and controlling the housing programs.

Municipalities receive funds through the provinces. They are responsible for selecting the grantees, determining the number and location of housing units to be built, and ensuring quality.

Relevant Regulatory Systems

INTI (*Instituto Nacional de Tecnología Industrial, the National Institute of Industrial Technology*) tests new materials and products that are proposed for use in residential construction. The Ministry of Health and Social Action is responsible for the final approval of new construction systems. CAT (full name not known) develops and administers regulations for certification of technical aptitude.

Each municipality is responsible for administration and enforcement of the building code. Codes are essentially the same among provinces, with regional adjustments for seismic zoning.

Housing as a National Priority

The government agency responsible for housing in Argentina is FONAVI. Prior to 1994, FONAVI provided funding for housing at the rate of approximately \$1.2 billion annually, but this amount was insufficient to eliminate housing shortages.

To help stimulate the construction sector, Argentina implemented the Agreement on

Construction in 1994. The objectives of this agreement were to deregulate the industry, remove existing bureaucratic impediments, and stimulate the development of the real estate market.

The Agreement involved the participation and commitment of all sectors in the supply chain. In addition to the government, it was signed and supported by Union Argentina de la Construcción (Argentina Construction Union), Cámara Argentina de la Construcción (Argentina Construction Chamber), Cámara Argentina de Vivienda (Argentina Housing Chamber), Unión Obrera de la Construcción (Construction Labourers Union), private banks, and the BHN (National Mortgage Bank).

The business sector agreed to focus more on inexpensive housing, to carry out labour training programs, to comply with tax obligations, and to eliminate work-related accident lawsuits.

Financial institutions agreed to finance projects initiated under the agreement, reduce administrative charges, publish details of rates and charges, and distribute credit facilities equitably among the country's various regions.

The labour sector agreed to introduce its own system to address work-related accidents, design and implement a training scheme in conjunction with the government and private businesses, and to renegotiate labour contracts geared toward increased efficiency.

Materials suppliers agreed to keep prices stable, design and implement training programs, and comply with quality standards.

Provinces and municipalities agreed to eliminate bureaucratic impediments, update property registers, eliminate the requirement for registering professionals, and eliminate or reduce many taxes impacting construction.

The national government committed to several actions to stimulate development and streamline the approval process, including:

- reduction in payroll taxes for employers participating in the agreement;
- elimination of restrictions on professional activities;
- establishment of a housing leasing system;
- establishment of a property trust scheme and an out-of-court system for mortgage execution;
- reduction or elimination of various taxes;
- elimination of quantitative restrictions and duties on key imports;
- relaxation of technical standards;
- design of a new system that converts present standards to ISO levels, which would encourage the introduction of new technologies;
- reduction in bureaucratic procedural requirements on new investments; and
- creation of new port areas.

The maximum allowable cost of social housing units to be built under the Agreement was set at \$600/m (this price includes the lot) with the following prototypical characteristics:

- average area: 70 m²;
- maximum unit price: \$600/m²;
- average housing unit cost: \$40,000;
- 15 percent down payment, 85 percent mortgage;
- \$400 monthly payments; and
- interest rate: 12 percent.

The Housing Plan developed in conjunction with the Agreement on Construction called for 108,000 units to be built in 1994, 130,000 units in 1995, 162,000 units in 1996, 210,000 units in 1997, and 274,000 units in 1998.

MATERIALS, LABOUR AND FINANCING

Materials

Argentina is the third largest producer of cement in Latin America, following Brazil and Mexico. Cement is the basic building component, and is in fact used as an indicator of activity in the construction sector. As of 1993, the country had the capacity to produce 10.5 million tonnes of cement annually, and consumed only 5.1 million tonnes, including exports. The industry, therefore, can handle twice the 1993 demand without capital investment or major effort. The country also has under-utilized capacity in flat glass and steel, two more basic building materials. In general, local suppliers are able to handle both present and future demands for material.

To transport materials within the country, Argentina primarily utilizes surface transportation. There are 215,578 km of highway (61,440 paved), 37,910 km of railway (chiefly linking major centres), 84 airports with paved runways greater than 1.5 km in length, and 11,000 km of navigable inland waterways.

Labour

With the slight recovery in activity since 1991, skilled labour shortages have occurred. To compensate, some firms have contemplated increased investment in mechanization.

Financing

The Banco Hipotecario Nacional (BHN, the National Mortgage Bank) is a state-owned wholesale bank that promotes property undertakings that provide access to housing by providing financing for those able to pay mortgages. It finances mortgage activities through

retail banks. Its main products are loans to holder of TIAVIs (savings bonds for housing) and immediate access credits. TIAVI-related loans can either be loans to construction companies for the construction of housing or lines of credit to individuals for housing. There are several conditions that must be met before loans to construction companies are approved:

- the company must own the land on which the project is to be built;
- completion cannot exceed 24 months from the date of the loan;
- the loan cannot exceed 60 percent of the value of the work; and
- the value of the work cannot exceed \$85,000.

For lines of credit to individuals, BHN-backed funds can be used for procurement, construction, expansion, remodelling and completion of housing. The retail bank must determine who qualifies, and the repayment period is 15 years. The BHN recently implemented a mortgage system, featuring annual interest rates of 13 percent, that will help make mortgages affordable to the middle and working class. Additionally, mortgage leasing arrangements are now possible. These arrangements allow the purchase of a housing unit through fixed payments once rental payments have added up to 50 percent of the purchase price.

Independent mortgage loans (not backed by BHN) are now becoming somewhat easier to obtain. Typical terms are \$21,000 to \$275,000 principal for up to 75 percent of the value of the home, interest rates of 20 to 24 percent, payments of not more than 30 percent of income, and amortization periods of 5 to 25 years.

HOUSING MARKET ACTIVITY, NEED AND DEMAND

Local Technologies

The primary construction forms are concrete and masonry. Traditionally, housing problems have been addressed mainly by construction of large, high-density complexes. This housing form has been the focus of extensive criticism for its high initial cost, equally high operational and maintenance costs, and for its notorious consumption of substandard materials.

In 1994, housing construction costs averaged P\$1000/m² (almost Cdn.\$1400/m²). If all of the measures included in the Agreement on Construction (1994) are in fact implemented, they can have the effect of reducing that cost to as little as P\$600/m² (Cdn.\$830/m²).

Local Housing Activities

Construction in general experienced steady decline from 1986 to 1990, and demonstrated minor growth in 1991 and 1992. In 1993, housing accounted for approximately 64 percent of all construction activity. Single-family dwellings accounted for 10 percent of housing work while multiple housing units accounted for the rest. The following table describes 1993 residential activity in terms of local cost/quality categories.

Table 3:
Argentina: Residential Construction in 1993

	Single Family Dwellings	Multiple Housing Units
Portion of Residential Market:	10%	90%
Type of Construction:		
Basic	3%	32%
Standard	30%	30%
Luxury	61%	27%
Super Luxury	6%	11%

Source: Argentine Ministry of Economics and Public Works and Services, *The Construction Sector*, 1994

In 1994, single-family housing activity was expected to rise to 58 percent of all housing construction. It is important to note, however, that statistics to verify that prediction are not available.

The provision of infrastructure (serviced land) is regarded as a key element in the process of addressing the housing problem. As an example, the Inter-American Development Bank (IADB) recently committed \$136 million in funding to the Neighbourhood Improvement Sites and Services project in Argentina. This is an urban-based project (development may take place in several communities) which involves the provision of serviced sites that must be used for low-income residential development. The overall cost of the project is expected to be \$232 million.

The 1994 Agreement on Construction is expected to have a significant positive effect on the construction industry. Direct and indirect employment are expected to increase by 115 percent by 1998 compared to 1994 levels; built area and number of units built are expected to increase by 153 percent by 1998; and the construction share of GDP is expected to rise to 5.6 percent by 1998, an increase of 107 percent over the 1994 share.

Forecasts by the BHN indicate that its investment in the housing sector will have allowed the construction of 60,000 new housing units during the four-year period ending in 1998. Overall housing activity from 1994 to 1998 is expected to produce 136,000 direct jobs and 34,000 indirect jobs.

Housing Need

The most recent year that detailed information on the Argentinean housing deficit could be obtained is 1991. This information is shown in the following table.

Table 4:
Argentina: 1991 Housing Statistics

Number of Households	9,380,204
Private Dwellings	8,515,441
Adequate	6,480,251
Repairable	1,447,625
Beyond Repair	587,565
Total Deficit	2,899,953
Quantitative	1,452,328
Qualitative	1,447,625
Annual Increase in Households (1990-95)	152,378

Source: ECLAC, *Human Settlements: The Shelter of Development*, October 1995

Recent estimates place the total deficit as of 1995 between 2.5 and 3.3 million units (average of 2.9 million, or roughly equal to the 1991 level). Sixty percent of that amount occurs within the capital city of Buenos Aires. Historically, the deficit attributable to Buenos Aires has increased by 50 percent over the last 20 years, while the deficit for the remainder of the country showed a decrease over that period.

In 1995, there were approximately 9.7 million households in Argentina. This figure is projected to reach 11.4 million by 2005. To keep the deficit

at its present level, therefore, would require that approximately 177,000 new units be built every year.

These factors suggest that housing demand in Argentina could be fairly strong.

Factors Affecting the Demand for Housing

The average middle-class Argentinean household has relatively little of its disposable income encumbered with debt. Argentineans favour cars and housing for major purchases. The BHN has recently implemented a mortgage system that is affordable to the middle class. It features better access to mortgages, longer terms and lower rates and has had the effect of stimulating the demand for housing at the middle-income level.

The majority of business investment activity has focussed on telecommunications, health, transport, infrastructure and construction, and many local firms are actively seeking foreign partners to increase their capital or to gain from technology transfer. Traditional building methods (brick, cement) have become too expensive and time-consuming. The housing construction sector is looking for faster and more economical methods to cope with the demand for housing.

EXPORT OPPORTUNITIES AND STRATEGIES

Positive indicators for Canada's housing industry are that Argentinean builders are looking for fast methods of construction, and that tariff-based trade barriers are decreasing. The market for Canadian-made products is primarily among high- and medium-income groups. The market prospects for many Canadian-made residential building products are likely increasing, but competition exists from the domestic building products industry and from the building materials industries in France, Spain, Germany and Brazil.

Recent research has concluded that traditional brick and cement building methods have become too expensive and time-consuming. Builders are looking for faster, more economical alternatives to supply increasing housing demand. As a result, there is some potential for wood-frame and other light building housing technologies. The following markets have been identified:

- low-income housing;
- moderate cost single-detached housing for the middle class;
- resort or second home opportunities; and
- construction equipment.

Some indicators are positive for Canadian companies. For example, the research indicates that most Canadian designs are more attractive to Argentineans than U.S. designs. Further, foreign investment incentives are becoming more attractive, since there is less bureaucracy compared to previous years. For example, no approvals or paperwork are required to materialize foreign investment, confidentiality is assured by the removal of investment registration requirements, and no performance requirements are placed on investors.

Argentinean Builder's Assessment

The following are the summarized results of a survey of a major Argentinean builder.

In general, the builder was positive about the market for all of the products noted (i.e., Wood

I-beam, floor trusses, roof trusses, oriented strand board, prefabricated stairs, asphalt shingles, windows (wood and vinyl), eavestrough, siding, insulation (various forms), exterior and interior doors (various types), gypsum board, flooring (various kinds, including hardwood), vanities and cupboards, moldings, plumbing fixtures (various types), hardware, security systems, insulated form systems, prefabricated house materials packages).

The housing markets for the products noted are for high- and medium-income groups.

Demand for these types is increasing because of the growing housing deficit of Argentina, the present monetary stability, low inflation rates and various financing possibilities.

The main impediment to establishing a market for some of these products is lack of consumer and industry knowledge about the product. The suggested marketing approach to introduce these products is demonstration projects built with the new materials or products.

The main competition is domestic products, followed by others from France, Spain, Germany and Brazil. Argentina has a policy of welcoming imports.

Builders in Argentina may be interested in recycled materials if they are cost-competitive. They will likely be interested in water closets that operate with low, water consumption.

In addition to the products shown, emphasis was placed on the need for low-income housing and financing.

Numerous sources stressed the importance of having a joint venture involving local businesses and distributors in order to introduce new products successfully.

Representatives of government, industry and user groups acknowledge cultural resistance to wood-frame and steel-frame construction methods. However, pressures for more housing are increasing and the industry is becoming increasingly interested in methods that yield high quality and a reduction of construction time.

BUSINESS ENVIRONMENT

Overview

The best months for business travel to Argentina are April through November.

Business Customs

Office hours are generally from 9 a.m. to 6 p.m., Monday through Friday. Banking hours are from 10 a.m. to 3 p.m., Monday through Friday. A prior appointment for a business call is usually necessary and considered a courtesy. Negotiations are based on personal contacts.

Business dress, appearance and general approach should be conservative.

All business in Argentina is transacted in Spanish, and all documents and records must be in Spanish to constitute valid evidence. Although most Argentines with a secondary school education understand English, a good working knowledge of Spanish is essential for anyone planning to work in Argentina for any length of time.

**Table 5:
Holidays**

January 1	New Year's Day
March or April	Good Friday
May 1	Labour Day
May 25	Revolution (1810) Day
June 10	Sovereignty Day
June 20	Flag Day
July 9	Independence (1816) Day
August 17	Death of General J. de San Martin
October 12	Columbus Day
December 25	Christmas Day

In addition, on a number of non-working days, government offices and banks are usually closed.

Business Infrastructure

Argentina is undergoing major changes in the banking sector. There are approximately 130 banks in the sector, the numbers diminishing now as an outcome of the crisis occasioned by the tequila effect. Not many years ago there were over 600 banks. Today the average net worth of the

banks is approximately US\$20 million. There are a handful of large banks and numerous smaller ones; many of provincial creation that have been supported by provincial treasuries.

The government has recently adopted a deposit insurance plan which has been criticized by the larger, successful banks who maintain that they are propping up the weak and inefficient. The large numbers of banks have made for substantial inefficiencies in operations, the high costs of which are passed on to their clients. Investment funding for capital restructuring and expansion are hard to come by and cost in the neighbourhood of 20 percent annually, a figure that has increased substantially as a consequence of the economic uncertainties. It may well be that with the firm moves taken by the government to counter the economic crisis and the uncertainties of the recent national elections, interest rates will start to fall.

Argentina's Minister of the Economy has pointed to the Canadian banking system as a model of efficiency, and in fact one Canadian bank has recently acquired a substantial interest in a private domestic bank with a view to introducing new technologies.

Distribution and Sales Channels

The normal sales process used by Canadian companies is an agent or distributor.

Principal-agent relations are basically governed by the Civil and Commercial Codes. No special legislation has been enacted to regulate the termination of agency agreements.

When the representative is a natural person the agency may be regulated by Law 11,544 of 1929, as amended. In particular, Law 14,546 of 1958 extends Labour Law benefits to business agents. The parties may not elect foreign laws to govern the agreement. If a contract is executed abroad to avoid Argentinean law, it will not be enforced by Argentinean courts.

The Civil and Commercial Codes permit a principal to terminate an agency agreement at its discretion. However, the terminating party may be liable for damages resulting from a wrongful

termination. All agreements, whether for a definite or undefined term should include a notice of termination clause.

Labour laws similarly require the service of a termination notice some time prior to the actual termination date; otherwise, the principal may be liable to the employee for earnings that would be accrued during the notification period. In all termination cases, except for those based on a just cause, the agent is entitled to one month's compensation for each year of service, payable in a lump sum.

Finding a Partner

Argentina is an expensive country in which to conduct business (about 65 percent more expensive than in most Canadian cities). This, and the distance and travel costs involved make it important to look at the country as part of a region and develop a marketing plan accordingly.

Argentina, together with Brazil, Paraguay and Uruguay, is a member of the Mercosur common market; 90 percent of products produced move within this common market, duty free. Neighbouring Chile is likely to become a member of NAFTA in the near future. All countries in the region have common needs for resource and infrastructure development, areas in which Canadian companies have much to offer.

Many major European and American companies have manufacturing or assembling facilities in Argentina and it is often difficult to compete against them unless a company has a physical presence and cultivates its contacts on a continuous basis.

At the very least, a company needs to have a reputable distributor, representative or agent and must have someone from Canada personally make calls on them and the clients, three or four times a year. Personal contact is vital. At the same time, Argentines convinced of the integrity of the representative and the product or service, will act quickly to place an order.

Canada and Argentina have a number of agreements with commercial implications:

- Memoranda of Agreement between CNEA (Argentinean Atomic Energy Commission)

and AECL, on the "Program for the Development of Services Partnership for Nuclear Power Stations", dealing with Heavy Water and Research and Development;

- an MOU between Direccion Nacional del Servicio Geologico and the Geological Survey of Canada; and
- an MOU on Cooperation in Minerals and Metals Research and Development and Technology Transfer.

Joint Ventures and Licensing

Transfers of know-how from a foreign individual or company to an Argentinean individual or company and transfers of patents or trademarks are governed by Law 22,426. This law establishes two categories of transactions: those between related companies and those with third parties.

Transfers of know-how between related companies are subject to prior Government approval. Lack of approval does not invalidate these contracts, but any payments made on the contracts will not be allowable for tax purposes and will be subject to the 27-percent withholding tax.

Transfers of know-how between non-related companies are required to be registered only for information purposes.

Argentinean legislation permits the establishment of joint ventures. A contract must be signed and registered with the Commercial Registry. The contract must contain a number of specific clauses and must also provide for the appointment of a legal representative in charge of management.

Establishing an Office

Foreign companies may carry out any single transaction. To carry on a habitual activity, a foreign company must establish a branch (sucursal) in Argentina. An individual must be appointed as the company's legal representative. It is not necessary to assign capital to the branch.

Regardless of whether they are associated with local investors, foreign investors may do business in Argentina through corporations, branches of foreign corporations, limited liability companies, limited partnerships, general partnerships and joint ventures.

Foreign corporations often operate in Argentina through a separately incorporated subsidiary rather

than through a branch, primarily to minimize their potential liability. If a branch is used, all of the foreign corporation's assets, not only its Argentinean assets, may be subject to potential liability. In contrast, if an Argentinean or foreign subsidiary is used, the foreign corporation's liability would generally be limited to the assets owned by that subsidiary.

Corporations are regulated by a law effective throughout Argentina. Corporations are established with the approval of at least two legal or natural persons, whether Argentinean or foreign.

A corporation may not be a partner in a partnership. A corporation can usually be established within three to four weeks if capital is supplied only in cash. If supplied in kind, the corporation can be established within approximately two months.

The estimated total incorporation cost ranges from US\$1,000 to US\$2,000, including statutory books and excluding both professional fees and stamp tax (one percent of capital).

A minimum of two founders, whether legal or natural persons, is required. There is no maximum limit on the number of founders. The founders of a company must report a domicile in Argentina for the purpose of related proceedings.

A minimum of two shareholders is required. No maximum is prescribed.

The minimum initial capital is US\$12,000, except for those corporations engaged in banking, insurance or related activities. If the capital is supplied in cash, at least 25 percent must be paid at incorporation, with the remainder payable in two years; if in kind, it must be fully paid at incorporation.

Canadian companies considering establishment in Argentina are encouraged to investigate the tax and legal aspects of establishment with legal counsel, prior to making any final decisions.

Advertising and Trade Promotion

It is important to be able to communicate in Spanish and even more important to have good quality promotional materials in Spanish, to provide the assurance that the company is serious about the market and giving it priority.

Argentina has a number of advertising agencies and many management consultants, but only the largest firms offer complete services. The leading agencies are members of the Asociacion Argentina de Agencias de Publicidad (Argentinean Association of Publicity Agencies). Many of the major U.S. advertising agencies have branches or affiliates among the leading agencies.

Advertising in the print media is the most widely used method, although television and radio advertising are highly effective and most generally aimed at the Buenos Aires market. Many daily newspapers are published in greater Buenos Aires, including Clarin, La Nacion and Ambito Financiero. The public and private sectors operate radio and television stations. There are over 469 television stations (with various levels of power output) now broadcasting in the provinces; 163 AM stations and 10 shortwave stations. In addition, 200 cable companies are operating throughout the country.

Selling to the Government

There is no requirement for Government sourcing with Argentinean companies. The Buy Argentina program was suspended through decree law 1224/89 of November 9, 1989. This was replaced by a 10 percent preference for domestic goods and services. The Buy Argentina program preference system was permanently eliminated in October, 1991.

Protecting Your Intellectual Property

The job of modernizing Argentina is still incomplete. Intellectual property, labour law, and bankruptcy law reform, among others, are overdue.

Argentina officially adheres to most treaties and international agreements on intellectual property protection and belongs to the World Intellectual Property Organization. However, the U.S. Trade Representative (USTR) placed Argentina on its priority watch list in 1993 because of the lack of patent protection for pharmaceutical products.

Argentina's patent law, enacted in 1864, is the weakest component of the country's intellectual property regime (IPR). The law contains stringent working requirements and allows a maximum patent term of only 15 years. Patent legislation which passed the Argentinean Congress over a Presidential veto in May, 1995 is seriously flawed

and conflicts with some GATT provisions. The Executive Branch vetoed 16 provisions of this law but the Congress overrode 10 of them. The Executive is negotiating possible corrective legislation with the Congress.

Under Argentinean law, patents of invention may be granted for a term of 5, 10 or 15 years by the Patent Office, according to merit of the invention and the wish of the applicant. Foreign patents may be ratified for a maximum of 10 years, but not to exceed the term of the original foreign patent registered by the Patent Office.

Trademark laws and regulations in Argentina are generally good. The key problem is a slow registration process. The Government has moved to rectify this, and the situation has improved recently. An action for cancellation may be brought on the grounds of five-year non-use. Only an act of *force majeure* will excuse non-use.

Regulatory Issues

Canada and Argentina have Agreements for the Promotion and Protection of Investment, and the Avoidance of Double Taxation and Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital.

Local corporations are taxed on total profits at a rate of 30 percent. The same tax applies to foreign corporation and their branch offices. Businesses are taxed on income that includes profits accrued during operation, inventory valuation, capital gains, inter-company dividends, and foreign income received or held abroad. A 12-percent withholding tax is levied on interest. Patent royalties and fees are subject to a 24-percent withholding tax; literary royalties are subject to a 10.5-percent withholding tax. Fees for technical services and leases for fixed goods are taxed through withholding taxes at an 18-percent rate.

Argentinean tax schedules are revised annually to account for inflation. Individuals are taxable on their Argentinean source income, without regard to place of domicile, citizenship, or residence. Income is considered to include employee gross income, capital gains, and investment income. Residents and visitors present in the country for more than six months of the calendar year are permitted to take a 30-percent deduction with the

main income subject to a variable rate ranging from 6 to 30 percent. A social security tax also exists. Personal assets are taxed at a 1 percent rate, and self-employed individuals are subject to a 3 percent tax on gross income. Dividends are taxed at 20 percent for non-residents and 10 percent for identified shareholders resident in Argentina.

A value-added tax (VAT) of 18 percent is applicable to almost all transactions. The Ministry of Economy may raise the VAT as high as 22.5 percent at its own discretion. Argentina assesses a wealth tax on all corporate assets and rural properties belonging to individuals at a rate of 1 percent on the assessed value.

EDC Financial Risk Assessment

The Export Development Corporation (EDC) helps Canadian companies compete in world markets through the provision of financial and risk management services. These include export credit insurance, financing to foreign buyers of Canadian goods and services and guarantees.

The following information was obtained from the EDC Country Risks and Opportunities book (fall, 1996).

These issues should be taken into consideration when assessing financial risk in Argentina.

- Argentina's Convertibility Law (which guarantees the free convertibility' of the peso, fixes it to the US dollar one-to-one, and requires the Central Bank to hold enough foreign exchange to back fully the domestic monetary' base) continues to anchor Argentine economic policy. The financial system has recovered from difficulties associated with the Mexican currency crisis, and any risk of immediate collapse of the Convertibility Law has been virtually eliminated.
- The economy has been very slow to come out the recession caused by last year's contraction of bank deposits and the money supply. Weak domestic demand has caused a significant deterioration in federal government finances. The deficit for the first half of 1996 was US\$2.8 billion, compared to the target for the entire year, as originally agreed with the International Monetary Fund (IMF), of US\$2.5 billion. In order to avoid a projected

US\$6.6 billion shortfall for the year. The government's first order of business was to introduce a fiscal adjustment plan which included a number of tax increases and expenditure cuts. The IMF granted a waiver of the original deficit target. The government plans to return to fiscal balance by 1998.

- The external current account deficit was reduced significantly in 1995 due largely to a surge in exports of about 30 percent and a 10 percent reduction in imports. Export growth will slow down dramatically this year with the 1995-96 wheat crop about 25 percent smaller than that of a year ago. As the economy recovers, the trade surplus will decline and the current account deficit will expand. There should be no problems financing the current account deficit. The Republic issued US\$5.1 billion in international bonds in the first half of this year, with lengthened maturities and narrowed

spreads compared to Argentinean issues last year. Improvements in Argentina's international competitiveness should ensure a positive trade balance over the medium-term.

- Recovery in the short-term will be hampered by fiscal restraint and the very high rate of unemployment, which has been about 16 to 17 percent for the past year. Over the medium-term, the economy will depend largely on developments in Brazil. Brazil is an increasingly important trading partner for Argentina as the two countries become more integrated under the Mercosur trade agreement.

Collection Experience

Payment delays have been reported and should be taken into consideration when assessing the overall collection experience. There is movement toward open trading terms.

Canada Mortgage and Housing Corporation

Housing Export Centre

700 Montreal Road
Ottawa, Ontario K1A 0P7

Tel.: 1-800-465-6212 or
(613) 748-2000
Fax: (613) 748-2302

Canadian Government Departments and Services

Department of Foreign Affairs and
International Trade (DFAIT)

InfoCentre
Lester B. Pearson Building
125 Sussex Drive
Ottawa, ON K1A 0G2

Tel.: 1-800-267-8376 or
(613) 944-4000
Fax: (613) 996-9709
FaxLink: (613) 944-4500
InfoCentre Bulletin board:
Tel.: 1-800-628-1581 or
(613) 944-1581

Canadian Embassy in Argentina

Latin American and Caribbean Trade
Division (LGT)
125 Sussex Drive
Ottawa, ON K1A 0G2

Tel.: (613) 996-5549
Fax: (613) 943-8806

Tagle 2828
1425, Buenos Aires, Argentina

Tel.: (011-54-1) 805-3032
Fax: (011-54-1) 806-1209

International Trade Centres

Newfoundland

International Trade Centre
P.O. Box 8950
Atlantic Place
215 Water Street
Suite 504
St. John's, NF A1B 3R9

Tel.: (709) 772-5511
Fax: (709) 772-5093

Prince Edward Island

International Trade Centre
P.O. Box 1115
Confederation Court Mall
134 Kent Street
Suite 400
Charlottetown, PE C1A 7M8

Tel.: (902) 566-7443
Fax: (902) 566-7450

Nova Scotia

International Trade Centre
P.O. Box 940, Station M
1801 Hollis Street
Halifax, NS B3J 2V9

Tel.: (902) 426-7540
Fax: (902) 426-5218

New Brunswick

International Trade Centre
1045 Main Street
Unit 103
Moncton, NB E1C 1H1

Tel.: (506) 851-6452
Fax: (506) 851-6429

Quebec

International Trade Centre
5 Place Ville-Marie
Seventh Floor
Montreal, PQ H3B 2G2

Tel.: (514) 283-6328
Fax: (514) 283-8794

Ontario

International Trade Centre
Dominion Public Building
1 Front St. West
Fourth Floor
Toronto, ON M5J 1A4

Tel.: (416) 973-5053
Fax: (416) 973-8161

Manitoba

International Trade Centre
P.O. Box 981
330 Portage Avenue
8th Floor
Winnipeg, MB R3G 2V2

Tel.: (204) 983-5851
Fax: (204) 983-3182

International Trade Centres (cont'd)

Saskatchewan	International Trade Centre The S.J. Cohen Building 119-4 th Avenue South Suite 401 Saskatoon, SK S7K 5X2	Tel.: (306) 975-5315 Fax: (306) 975-5334
Alberta <i>* Edmonton office is also responsible for Northwest Territories</i>	International Trade Centre Canada Place 9700 Jasper Avenue Room 540 Edmonton, AB T5J 4C3 510-5th Street S.W. Suite 1100 Calgary, AB T2P 3S2	Tel.: (403) 495-2944 Fax: (403) 495-4507 Tel.: (403) 292-4575 Fax: (403) 292-4578
British Columbia <i>*Vancouver office is also responsible for the Yukon</i>	International Trade Centre 300 West Georgia Street Suite 2000 Vancouver, BC V6B 6E1	Tel.: (604) 666-0434 Fax: (604) 666-0954

Export Development Corporation (EDC)

Ottawa	151 O'Connor Street Ottawa, ON K1A 1K3	Tel.: (613) 598-2500 Fax: (613) 237-2690
Vancouver	One Bentall Centre 505 Burrard Street Suite 1030 Vancouver, BC V7X 1M5	Tel.: (604) 666-6234 Fax: (604) 666-7550
Calgary	510-5th Street S.W. Suite 1030 Calgary, AB T2P 3S2	Tel.: (403) 292-6898 Fax: (403) 292-6902
Winnipeg <i>*office also serves Saskatchewan</i>	330 Portage Avenue Eighth Floor Winnipeg, MB R3C 0C4	Tel.: (204) 983-5114 Fax: (204) 983-2187
Toronto	National Bank Building 150 York Street Suite 810 P.O. Box 810 Toronto, ON M5H 3S5	Tel.: (416) 973-6211 Fax: (416) 862-1267
London	Talbot Centre 148 Fullarton Street Suite 1512 London, ON N6A 5P3	Tel.: (519) 645-5828 Fax: (519) 645-5580
Montreal	Tour de la Bourse 800 Victoria Square Suite 4520 P.O. Box 124 Montreal, PQ H4Z 1C3	Tel.: (514) 283-3013 Fax: (514) 878-9891
Halifax	Purdy's Wharf, Tower 2 1969 Upper Water Street Suite 1410 Halifax, NS B3J 3R7	Tel.: (902) 429-0426 Fax: (902) 423-0881

Argentine Government Offices in Canada

Embassy of the Argentine Republic	90 Sparks Street Suite 620 Ottawa, ON K1P 5B4	Tel.: (613) 236-2351 Fax: (613) 235-2659
Argentine Commercial Office	151 Slater Street Suite 400 Ottawa, ON K1P 5H3	
Consul General of Argentina	2000 rue Peel Suite 620 Montreal, PQ H3A 2W5	Tel.: (514) 842-6582 Fax: (514) 842-5797

Argentine Government Offices in Canada (cont'd)

Consul General of Argentina

1 First Canadian Place
Suite 5800
Toronto, ON M7X 1K2

Tel.: (416) 603-9075
Fax: (416) 323-3910

Multilateral Organizations

World Bank

Washington, DC 20433
U.S.A.

Tel.: (202) 477-1234
Fax: (202) 477-6391

Office for Liaison with International
Financial Institutions

Canadian Embassy
501 Pennsylvania Avenue N.W.
Washington, DC 20001

Tel.: (202) 682-7719
Fax: (202) 682-7726

Business and Professional Organizations in Canada

The Canadian Council for the Americas
(CCA)

Executive Offices, Third Floor
145 Richmond Street West
Toronto, ON M5H 2L2

Tel.: (416) 367-4313
Fax: (416) 367-5460

Alliance of Manufacturers and Exporters
Canada

99 Bank Street, Suite 250
Ottawa, ON K1P 6B9

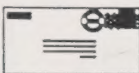
Tel.: (613) 238-8888
Fax: (613) 563-9218

Canadian Banks in Argentina

Royal Bank of Canada

Representative Office
Au del Libertador 602
18th Floor (1001)
Buenos Aires, Argentina

HOUSING EXPORT OPPORTUNITIES SERIES ORDER FORM



CMHC
P.O. Box 35005
Stn BRM B
Toronto, ON
M7Y 6E5



1-800-668-2642
Outside Canada call
1-613-748-2003



FAX TO
1-800-245-9274
Outside Canada
1-613-748-2016

Charge to VISA, American Express or MasterCard.

To avoid double billing,
please do not send
confirmation.

VISA, American Express,
and MasterCard.

To avoid double billing,
please do not send
confirmation. A fax will
be treated as an original order.

METHOD OF PAYMENT

Please Print

Name		
Company or Organization	Position Title	
Address		
City	Province/State/Country	Postal/Zip Code
Telephone Number ()	Fax Number ()	

<input type="checkbox"/>	Please charge my	
	VISA <input type="checkbox"/>	American Express <input type="checkbox"/> MasterCard <input type="checkbox"/>
	Card Number	
	<div></div>	
	Expiry Date	
<div></div>		
<input type="checkbox"/>	Signature	
	<div></div>	
	Payment enclosed \$ <div></div>	
Please make cheque or money order payable to CMHC		

To Complete See Example on Reverse Side

[illegible]

TAX TABLE

7% GST applicable to all items. PST/HST/GST applicable to shipping.
for PEI and Québec, PST is calculated on shipping plus GST.

U.S. and International orders, please pay subtotal C in U.S. funds.

Province	GST	PST	HST
Alberta	7% of C	—	—
B.C., Manitoba, & Sask.	7% of C	7% of B	—
Ontario	7% of C	8% of B	—
N.B., N.S., NF	7% of A	—	15% of B
Québec	7% of C	6.5% of B + GST	—
P.E.I.	7% of C	10% of B + GST	—

GST Registration # 100756428

Subtotal Column 3	A
ADD Shipping & Handling Regular Mail <input type="checkbox"/> Courier <input type="checkbox"/>	B
Subtotal (Add A + B)	C
Appropriate Taxes (refer to table at left)	D
Total (Add C + D)	E

Subtotal
Column 5

Refer to Shipping
and Handling Charges
on the back of this
form for the shipping
and handling amount.

SEE
EXAMPLE
ON REVERSE

Shipping and Handling Charges

Points	Canada Regular Rates	Canada Courier Rates	U.S. Regular Air Rates	U.S. Courier Rates	International Regular Air Rates	International Courier Rates	Europe Courier Rates
1	2.55	5.00	5.00	11.00	7.00	24.00	19.00
2	3.65	8.00	6.50	14.00	9.00	30.00	25.00
3 to 5	5.80	11.07	8.11	30.75	12.18	63.75	47.75
6 to 10	6.18	11.07	12.46	34.75	20.61	88.75	55.75
11 to 20	6.43	12.35	18.08	42.75	38.77	118.75	71.75
21 to 40	6.94	14.90	23.81	58.75	64.65	193.75	103.75
41 to 60	7.44	17.62	29.48	74.75	68.12	253.75	129.75
61 to 80	7.95	20.51	35.15	90.75	117.36	313.75	149.75
81 to 100	8.45	23.35	40.92	106.75	146.60	373.75	169.75
101 to 120	8.96	26.20	46.59	120.75	166.71	433.75	189.75
121 to 140	9.46	29.05	52.31	134.75	184.72	493.75	209.75
141 to 160	9.97	31.90	58.00	148.75	207.45	553.75	229.75
161 to 180	10.47	34.75	63.71	162.75	228.92	613.75	249.75
181 to 200	10.98	35.60	69.38	176.75	250.29	658.75	269.75
201 to 220	11.48	40.45	75.05	190.75	N/A	718.75	289.75
221 to 240	11.99	43.30	80.72	204.75	N/A	778.75	309.75
241 to 260	12.49	46.15	86.49	218.75	N/A	838.75	329.75
261 to 280	13.00	49.00	92.21	232.75	N/A	901.75	349.75
281 to 300	13.50	51.85	97.88	246.75	N/A	958.75	369.75
Estimated Delivery times	2-3 weeks	5-10 days	2-3 weeks	5-10 days	4-8 weeks	12 days	12 days

Prices Subject to Change

CMHC Return Policy

We will replace damaged materials and correct shipping errors if we are notified within thirty days after you receive your shipment. If an item is not defective or not mistakenly shipped, then it must be returned by you at your cost within thirty days of receipt. It must arrive here in resaleable condition for you to receive credit.

International Note: Most international return shipments arrive damaged. If you received damaged items, contact CMHC at (613) 748-2969. Please do NOT return the damaged items unless we ask.

Example: To complete order form and determine shipping and handling charges

ORDER NUMBER	REPORT TITLE <small>Please be sure the order number and report title match the listing</small>	1 QTY	2 ITEM AMOUNT \$	3 TOTAL AMOUNT <small>1 x 2</small>	4 SHIPPING POINTS	5 TOTAL SHIPPING POINTS <small>1 x 4</small>
NHA 8003	Brazil	1	35.-	35.-	3	3
NHA 8033	South Korea	2	35.-	70.-	3	6
					3	
					3	
				Subtotal Column 3	A 105.-	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">9</div> <p style="font-size: small;">Refer to Shipping and Handling Charges on the back of this form for the shipping and handling amount.</p>
				ADD Shipping & Handling Regular Mail <input checked="" type="checkbox"/> Courier <input type="checkbox"/>	B 6.18	
				Subtotal (Add A + B)	C 111.18	
				Appropriate Taxes (refer to table at left)	D 7.78	
				Total (Add C + D)	E 118.96	

TAX TABLE			
7% GST applicable to all items. PST/HST/GST applicable to shipping. for PEI and Québec, PST is calculated on shipping plus GST.			
U.S. and International orders, please pay subtotal C in U.S. funds.			
Province	GST	PST	HST
Alberta	7% of C	-	-
B.C., Manitoba, & Sask.	7% of C	7% of B	-
Ontario	7% of C	8% of B	-
N.B., N.S., NF	7% of A	-	15% of B
Québec	7% of C	6.5% of B + GST	-
P.E.I.	7% of C	10% of B + GST	-

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